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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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CC Docket No. 92-237

In the Matter of

Administration of the North
American Numbering Plan

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To: The Commission

COMMENTS OF
METROCALL OF DELAWARE, INC.
A PRIVATELY HELD RADIO COMMON CARRIER

December 28, 1992

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**COMMENTS OF METROCALL OF DELAWARE, INC.
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I. INTRODUCTION

Metrocall of Delaware, Inc. (Metrocall) is a privately owned Radio Common Carrier holding licenses under Part 22 and under Part 90 of the Commission's Rules in forty (40) states. Metrocall was first licensed as a Common Carrier in 1966, and currently provides radio paging services throughout the nation to over 200,000 subscribers. As an ever increasing user of numbers allocated through the North American Numbering Plan (NANP), Metrocall offers these comments in response to the Commission's NOI regarding the long range issues related to the Administration of the North American Numbering Plan.

II. EXECUTIVE SUMMARY

The issues surrounding the NOI about the Administration of the North American Numbering Plan are of extreme importance to the successful development of newly emerging telecommunications technologies. The decisions that are made subsequent to this NOI will have a profound impact on the way we communicate in the United States and affect our technological leadership throughout the world. To further our long-range telecommunications policy, Metrocall respectfully offers the following comments:

- 1. The entity responsible for the administration of the NANP should be economically disinterested from the users of the numbering resource.** Metrocall proposes that the FCC establish an independent NANP Policy Board.
- 2. The FCC should require equal non-preferential number availability to all users of numbers.** Not all co-carriers are treated equally. Metrocall highlights the extraordinarily unfair practice of a LEC charging for number access while

denying revenue sharing as an example of inequality between wireless and wireline carriers in the current numbering structure.

3. **Number administration and access costs may be too high.** Metrocall outlines a method by which a future NANP Policy Board would award multi-year contracts for the administration of the NANP, while equitably distributing the costs of number administration in the process.
4. **The FCC should require universal number portability within SACs assigned to PCS services.** Despite any arguments regarding cost, the importance of universal number portability cannot be overlooked when planning for the next 50 years of telecommunications growth. Sufficient allocations and planning should be made to anticipate the growing demand for wireless systems, in a truly flexible numbering environment.
5. **PCS numbering should be assigned through non-geographic SAC codes.** With increasing mobility, and the advent of personal numbering, the future of PCS will evolve much differently if not tethered to a specific geographic location.

III. ADMINISTRATION OF THE NORTH AMERICAN NUMBERING PLAN

The FCC has requested comments on "who should administer the NANP and how the administration might be improved". In the past, the vast majority of the need for identifying numbers was overwhelmingly within the Bell System. As such, the need to coordinate number allocation was primarily an internal function, as demand for alternative communications services had not developed. Now however, with the growth of many communications technologies that did not exist 45 years ago, the need to coordinate the NANP must take *equal* consideration of those newer technologies. PCS will provide the first real possibility for meaningful competition to LECs, which until now have had a virtual monopoly on local services. A NANP that may serve the BOCs' interest best will likely not be the most appropriate for wireless competition and would possibly burden, reduce, or even preclude competition. Therefore, the number coordination process is no longer a function that should be under the control of wireline LECs who have a virtual monopoly on all local calling and switching. Instead, the process should be placed in the hands of an economically disinterested third party.

- A. **THE ENTITY RESPONSIBLE FOR ADMINISTRATION OF THE NANP SHOULD BE ECONOMICALLY DISINTERESTED FROM THE USERS OF THE NUMBER RESOURCES.**

The NANP administrator should not have any incentive to bias the

decisions on the allocation and use of numbers among the many competing users of numbers. As a subsidiary of profit-minded monopoly companies, Bellcore is in a posture that is fraught with a serious conflict of interest.

On the one hand, the future of the NANP will require a substantial upward expansion of the resources devoted to wireless communications. Demand for numbers for cellular, paging, rural and offshore telephone, aviation, land mobile, and especially emerging PCS technology will continue to grow unless thwarted by either an unfair number allocation process or an excessive cost structure that renders the wireless services handicapped or too unprofitable to compete with the incumbent wireline systems. Bellcore, as the current NANP administrator would need to provide vastly greater numbering resources to meet the demand for these growing wireless services, in direct competition to the RBOCs' profit stream, and in direct conflict with Bellcore's incentive to aid its RBOC clients.

On the other hand, if Bellcore were to act fully to maximize the profits of its client LECs (a practice that is encouraged in American business), then the company would do all it could to put its client LECs economic interests before those of its clients' competitors. By allocating numbers primarily around a geographically based landline framework, by making scarce the supply of numbers available to all wireless services on a non-geographic basis, or by charging high dollar amounts allocated solely to costs of number administration, Bellcore could stifle the development of emerging technologies that may vigorously compete with the wireline systems. The danger inherent in the current structure is that Bellcore has the ability to bottleneck numbering resources by allocating amply for the needs of the parent companies, while leaving only a small residual for others. And why should Bellcore be expected to act any differently if its motive is to benefit its client LECs?

Bellcore, because of a serious conflict of interest, is not a sound choice to continue as NANP administrator. An independent NANP administrator is needed to nurture a structure that will allow for an orderly transition to a wireless, non-geographic numbering framework and a level playing field, while maintaining and supporting the reasonable needs of the existing LEC networks.

B. NUMBERS ARE A RESOURCE THAT MUST BE AVAILABLE TO ALL SERVICES ON AN EQUAL BASIS, WITHOUT DISCRIMINATION

Numbers are merely addresses. They are not property, nor are they "owned" by any entity, but are assigned for the operation of a public national communication network for the essential coordinated use of all interconnected telecommunication networks, and for the purposes of having a common identification protocol for billing and roaming. Metrocall feels it is in the public interest to maintain a single NANP, and avoid the need for the development of a completely separate, national wireless network.

Metrocall supports the concerns voiced by McCaw Cellular Communications that "the assignment of numbering resources by the BOCs and Bellcore creates undue risks to mobile services competition". [page 1 of Reply Comments 1-17-92 DA 91-1307]. Since Bellcore is controlling the allocation of numbers (address) and network structure (routing) to its client companies' chief competition for the future, (wireless communications services), there is every reason to be concerned that the economic interests of the BOCs will be contrary to the FCCs desire to "promote the rapid development of PCS, encourage significant flexibility in the development of technologies and services, and promote competition in PCS and in telecommunications in general". [paragraph 12 of FCC 92-333 NPRM Amendment of the Commission's Rules to Establish New Personal Communications Services].

The current structure of the NANP administration grants a continuing monopoly over the charges for number administration by allowing Bellcore and the LECs to charge paging, cellular and other competing services, merely for the assignment of numbers to access and interconnect with the Public Switched Telephone Network (PSTN). For example, Metrocall as a co-carrier, terminates a call with the LEC, who retains originating and terminating carrier charges. Yet Metrocall pays anywhere from \$0.11 to \$1.00 per month, per interconnected number solely for the use of the number to the LEC. This number charge is completely separate from additional charges imposed for channels, transport, switching, and terminal costs which are often charged at full "tariff" rates as high as any end user. However, Metrocall, as with other paging companies, receives no revenue share for terminating calls such as is customary between two wireline carriers' "end-on" connections. (In "end-on" connections, both wireline carriers typically share revenue for transport in proportion to the ratio of the facilities used

by such carriage, with an additional amount set aside for the originating carrier for the costs of billing.) With the current number access charges being placed on all telecommunications services routed through the local switch, Bellcore and the LECs have every incentive to design and structure the NANP around geographic routing of calls through the local switch in order to continue their monopoly on number use charges and generate additional switching traffic (due to network numbering and switching plans) by causing all local telecommunicators to route through LEC switches and network even if not otherwise needed for the least cost routing of communications.

C. NUMBERS SHOULD COST NO MORE THAN THE ADMINISTRATOR'S CHARGES TO PROVIDE THE ADMINISTRATION FUNCTION WITH A REASONABLE PROFIT MARGIN

The FCC has requested comments on how the cost of NANP administration should be financed. In order to reduce the charges imposed on the administration of numbers to a more competitive rate, and to assure that an even, fair, beneficial NANP is evolved for the future, Metrocall recommends that the Commission direct the establishment of a separate NANP Policy Board, whose members would consist of a diverse representation of LECs, IXCs, cellular, paging, satellite, mobile services, cable television, aviation, rural and offshore telephone, PCS providers and others, as well as an FCC representative.

The NANP Policy Board would be subject to review by the FCC. The Policy Board would be self-funded by its members. The Policy Board would then develop contract guidelines for bidding for the administration of the NANP. Bidding would be for a long term contract of 10 years, with the award by Dutch auction based on which qualified bidder would administer for the lowest per number charges. Every 10 years the contract for administration would be re-bid. The administrator would collect revenues for new number assignments, and for continuing number use to encourage the efficient reuse of number resources. The administrator's revenues would pay for the costs of providing administrative services under the guidelines established by the Policy Board, and be sufficient to return a profit for the administrator.

The schedule for policy decision, the RFP and selection of administrator should be completed within certain deadlines as established by the Policy Board

with the concurrence of the FCC. The Policy Board should also be required to submit plans for a revision of the NANP by a certain deadline as mandated by the FCC. In the event of a deadlock by dissenting parties or a dispute over available resources, the conflicting positions would be submitted to the FCC for resolution by mediation or an abbreviated rulemaking process. By this process the Commission would maintain oversight of the NANP, while allowing the telecommunications industry concerns to work out an appropriate plan that best accommodates the needs of many different parties.

By ordering the creation of a NANP Policy Board with diverse representation, and a separate Administrator, the FCC will allow only the true pro rata costs of number administration to be borne by those who use the numbering resources.

IV. NUMBERING FOR PCS

A. FUTURE NUMBERING PLANS MUST INCLUDE THE ABILITY TO PROVIDE UNIVERSALLY PORTABLE NUMBERS WITHIN ANY SERVICE AREA CODE (SAC) DESIGNATED FOR PCS

The FCC has requested comments on numbering for personal communications services and on local number portability. Metrocall recommends that any policy include the ability to meet the needs of a future in which 100s of millions of personal users communicate with each other person-to-person, regardless of location. Like a Social Security Number, each individual would have a unique number, to remain the same for the individual's lifetime, that would be his regardless of geographic location, service provider and user configuration. To do this will require a standard of universal number portability in non-geographic codes. Sufficient codes should be made available to allow for at least 1 number per person in World Zone 1 for the foreseeable future. This could entail between 500 million and 1 billion SAC numbers for the next 50 years, depending on population growth rates over North America.

The FCC has also requested comments about the costs of number portability. This is an area in which costing will be difficult to predict with any accuracy at this early stage. Regardless of what other comments are made on this issue, the current cost to provide this service should in no way be used as a guideline or dialogue point for costing and demand 10 to 20 years from now. The uncertainty in potential annual changes in costs, compounded over a period of

years will dominate any point estimate that may be forecast, thus rendering any estimates of future cost highly uncertain at best. Witness the dramatic changes in the consumer's costs to purchase long distance communications, computer hardware, computer software, and paging and cellular services over the last 10 years. In each industry that competition has come about, dramatic improvements in the public's price/performance ratio, notwithstanding each "expensive" technology investment made by the suppliers. Yet how well would any of these industry's consumer price level have been accurately forecast 20 years ago? Of these examples, only in the services end of cellular has there been a notable lack of major price declines to the consumer, because of the lack of full competition. (Cellular equipment has undergone significant price declines since its inception, however, there is significantly more competition in the subscriber equipment side of the business).

Even though it is not realistic to expect a reliable dollar estimate of costs associated with universal number portability, requiring number portability for the long range implementation of PCS SAC codes will definitely be in the public interest, since it will allow an increased number of choices for the consumer, and reduce or eliminate the barriers to change location or service provider in the event the customer relocates, or is dissatisfied with the current service provider.

**B. PCS NUMBERING SHOULD BE ASSIGNED THROUGH NON-
GEOGRAPHIC SAC CODES**

Geographic zones that are the basis of the NPA assignments do not conform well to the traveling patterns of today's mobile communications customers. Many customers today would avoid changing numbers when they changed locations if it were possible. It does not make sense for the PCS numbering environment to be restricted geographically, when neither the public, nor the suppliers of the service require it. In fact, the opposite may be true. Once PCS is past the early development stage, *much traffic may move completely within a PCS environment, without regard to geographic location, and without need of transport or switching through any LEC.* For these reasons, Metrocall recommends that PCS numbering take place in groups of SACs with no geographic restriction.

V. CONCLUSION

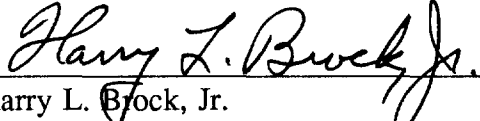
The decisions made regarding the future of NANP administration will have a profound influence on the rate of evolution of emerging technologies, the rate of new business formation in telecommunications, and the creation of new jobs.

To help speed the development of new telecommunications technologies and foster a more competitive marketplace for these services, the Commission should:

1. Place the administration of the NANP in an entity that is economically disinterested from the users of the resource.
2. Provide for equal non-preferential number availability to all users of numbers.
3. Reduce costs of number administration to the user of numbers by allocating number administration by multi-year contract award, with fees to administer included in the bid.
4. Provide universal number portability within SACs assigned to PCS services.
5. PCS numbering should be assigned through non-geographic SAC codes.

Respectfully submitted,

METROCALL OF DELAWARE, INC.



Harry L. Brock, Jr.
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